



## DEPARTMENT OF COMMERCE

### Census Bureau

[Docket Number 221014-0215]

RIN 0607-XC065

### Annual Integrated Economic Survey

**AGENCY:** Census Bureau, Department of Commerce.

**ACTION:** Notice of consideration and request for comments.

**SUMMARY:** Notice is hereby given that the Bureau of the Census (Census Bureau) is considering a proposal to conduct the Annual Integrated Economic Survey (AIES). The AIES is a new survey designed to integrate and replace seven existing annual business surveys into one survey and will provide the only comprehensive national and subnational data on business revenues, expenses, and assets on an annual basis. The AIES is designed to combine Census Bureau collections to reduce respondent burden, increase data quality, and allow the Census Bureau to operate more efficiently to reduce costs. These data are not publicly available from nongovernment or other governmental sources. Based on information and recommendations received by the Census Bureau, the data have significant application to the needs of other government agencies and the public.

**DATES:** Written comments on this notice must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Written comments may be addressed to Blynda Metcalf, U.S. Census Bureau, Associate Directorate for Economic Programs (ADEP), Washington, DC 20233-6600, (301) 763-4781, [Blynda.K.Metcalf@census.gov](mailto:Blynda.K.Metcalf@census.gov). You may also submit comments, identified by Docket Number USBC-2022-0015 to the Federal e-Rulemaking Portal:

<http://www.regulations.gov>. All comments received are part of the public record. No comments will be posted to <http://www.regulations.gov> for public viewing until after the comment period has closed. Comments will generally be posted without change. All Personally Identifiable Information (for example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. You may submit attachments to electronic comments in Microsoft Word, Excel, or Adobe PDF file formats.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to Blynda Metcalf, U.S. Census Bureau, ADEP, Washington, DC 20233-6600, (301) 763-4781, [Blynda.K.Metcalf@census.gov](mailto:Blynda.K.Metcalf@census.gov).

**SUPPLEMENTARY INFORMATION:** The Census Bureau plans to conduct the AIES on an annual basis, beginning in survey year 2023. The Census Bureau will conduct the AIES under the authority of Title 13, United States Code, sections, 131 and 182. The AIES is a new survey designed to integrate and replace seven existing annual business surveys into one survey. The AIES will provide the only comprehensive national and subnational data on business revenues, expenses, and assets on an annual basis. The AIES is designed to combine Census Bureau collections to reduce respondent burden, increase data quality, and allow the Census Bureau to operate more efficiently to reduce costs. The existing collections integrated into the AIES are the Annual Retail Trade Survey (ARTS), Annual Wholesale Trade Survey (AWTS), Service Annual Survey (SAS), Annual Survey of Manufactures (ASM), Annual Capital Expenditures Survey (ACES), Manufacturer's Unfilled Orders Survey (M3UFO), and the Report of Organization. The ARTS has been conducted annually since 1951 to collect sales, expenses, and other items for the retail sector of the economy. The AWTS has been

conducted annually since 1978 to collect data on sales, inventories, operational expenses, and purchases for wholesale trade. The SAS has been conducted annually since 1982 to collect revenues and other measures for most traditional service industries. The ASM has been conducted annually since 1948 to collect revenues, expenses, capital expenditures, fuels and electric energy used, and inventories in the manufacturing sector. The ACES has been conducted annually since 1996 to collect capital spending for new and used structures and equipment in agriculture, construction, mining, manufacturing, retail, wholesale, and service sectors. The M3UFO began collecting manufacturing revenue and unfilled orders data in 2010. The Report of Organization has been collecting information on organization and structure of firms to maintain the Business Register on an annual basis since 1973.

Estimates currently published in ARTS, AWTS, SAS, ASM, and ACES will be produced as part of the AIES and expanded to include subnational data across the economy.

Previously, the ASM (manufacturing) was the only annual survey being integrated into AIES that produced subnational data. AIES will produce subnational data for manufacturing, retail, wholesale, and service sectors if quality standards are met. The AIES information previously collected on the Report of Organization will continue to be used to update the Business Register, and the AIES data previously collected on the M3UFO will continue to be used for the M3 benchmarking purposes. Data users will be able to access the AIES estimates through [data.census.gov](https://data.census.gov). Private businesses, organizations, industry analysts, educators and students, and economic researchers have used the data and estimates provided by these seven existing collections for analyzing and conducting impact evaluations on past and current economic performance, short-term economic forecasts, productivity, long-term economic growth, market analysis, tax policy, capacity utilization, business fixed capital stocks and capital formation, domestic and international competitiveness trade policy, product development, market research,

and financial analysis. Trade and professional organizations have used the estimates to analyze industry trends and benchmark their own statistical programs, develop forecasts, and evaluate regulatory requirements. Government program officials and agencies have used the data for research, economic policy making, and forecasting. Based on the use of the data of the existing collections, estimates produced from the AIES will serve as a benchmark for Census Bureau indicator programs, such as the Advance Monthly Sales for Retail and Food Services (MARTS), the Monthly Retail Trade Survey (MRTS), Manufacturers' Shipments Inventories & Orders (M3), Monthly Wholesale Trade Survey (MWTS), and the Quarterly Services Survey (QSS). Like the previous collections, the AIES will provide updates to the Longitudinal Research Database (LRD), and Census Bureau staff and academic researchers with sworn agent status will continue to use the LRD for micro data analysis. The Census Bureau will also continue to use information collected in the AIES to update and maintain the centralized, multipurpose Business Register that provides sampling populations and enumeration lists for the Census Bureau's economic surveys and censuses. The Bureau of Economic Analysis (BEA) will continue to use the estimates to derive industry output for the input-output accounts and for the gross domestic product (GDP). We expect that the Bureau of Labor Statistics (BLS) will continue to use the data as input to its Producer Price Index (PPI) and in developing productivity measurements; the Federal Reserve Board (FRB) will continue to use the data to prepare the Index of Industrial Production, to improve estimates of investment indicators for monetary policy, and in monitoring retail credit lending; the Centers for Medicare and Medicaid Services (CMS) will continue to use the data to estimate expenditures for the National Health Accounts and for monitoring and evaluating healthcare industries; and the Department of the Treasury will continue use the data to analyze depreciation and to research economic trends.

The AIES covers domestic, nonfarm employer businesses with operations during

the survey year. Nonemployer businesses are not within the scope of this new AIES.

The Census Bureau will submit a separate request for approval to collect data from nonemployer businesses, if it is determined that a collection is needed to produce those estimates.

All proposed content for the AIES is currently being collected on the surveys it will replace. The AIES will collect the following information from employer businesses in the AIES sample:

- Business characteristics, including employment, operating status, organizational change, ownership information, and co-op status
- Business classification, including business activity, type of operation, and tax status
- Revenue, including sales, shipments, and receipts, revenue by class of customer, taxes, contributions, gifts, and grants, products, and e-commerce activity
- Operating expenses, including purchased services, payroll, benefits, rental payments, utilities, interest, resales, equipment, materials and supplies, research and development, and other detailed operating expenses
- Assets, including capital expenditures, inventories, and depreciable assets
- Robotic equipment

Additional topics of collections in the AIES include sources of revenue for providers (e.g., hospitals and other businesses in the health industry) of select services such as inpatient days, outpatient visits to hospitals, patient visits for other selected health industries, revenue from telemedicine services, and expenses for electronic health records. Product data will be collected from businesses operating in manufacturing and services industries. Merchandise lines data will be collected from businesses operating in select retail industries will collect merchandise lines data. Detailed inventories will be

collected for trucks, truck tractors, and trailers.

Starting with the 2024 survey, the AIES may include new questions each year based on relevant business topics. Potential topics for such new questions could include technological advances, management and business practices, exporting practices, and globalization.

In survey years 2019 and 2020, research was conducted on the potential impacts of a coordinated collection of SAS, ARTS, and AWTS. This coordinated collection research was designed to investigate the impact of implementing the existing contact strategy that encompassed multiple survey requests. Following the 2019 and 2020 coordinated collection research effort, approximately 19 interviews were conducted with nonrespondents, and 35 interviews were conducted with respondents. In 2021, AIES data accessibility and recordkeeping studies were conducted with about 60 companies. In survey year 2021, a pilot AIES survey was administered to 78 companies, including 2,863 establishments, to test the respondent experience; the 2021 pilot AIES survey focused on the layout and design of the collection instrument and harmonized content. From the pilot survey, 10 interviews were conducted with respondents, and 15 Response Analysis Surveys (RAS) were completed by respondents. Cognitive testing encompassing survey structure, instrument design, and respondent reporting process was conducted with about 40 companies in 2022. Usability testing on the electronic collection instrument will be conducted with up to 30 companies at the end of 2022 and will continue into 2023.

The 2023 AIES sample will be comprised of approximately 380,000 employer businesses to produce statistics that measure economic activity. Businesses which reported business activity on Internal Revenue Service tax forms 941, “Employer’s Quarterly Federal Tax Return”; 944, “Employer’s Annual Federal Tax Return”; 1065 “U.S. Return of Partnership Income”; or any one of the 1120 corporate tax forms will be eligible for selection.

The AIES will be collected using only electronic instruments. Respondents will receive an email and/or letter notifying them of their requirement to respond and how to access the survey. Responses will be due approximately 30 days from receipt. Select businesses will receive a due date reminder via a letter or email prior to the due date. Additionally, email follow-ups and up to three mail follow-ups to nonrespondents will be conducted at approximately one-month intervals. Selected nonrespondents will receive a priority class mailing for the third follow-up if needed. Selected nonrespondents will also receive follow-up telephone calls.

### **Paperwork Reduction Act**

Notwithstanding any other provision of law, no person is required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act (PRA) unless that collection of information displays a currently valid Office of Management and Budget (OMB) control number. This action will integrate into the AIES the following existing collections (listed with their corresponding OMB control numbers): the Annual Retail Trade Survey (ARTS) (0607-0013), the Annual Wholesale Trade Survey (AWTS) (0607-0195), Service Annual Survey (SAS) (0607-0422), the Annual Survey of Manufactures (ASM) (0607-0449), the Annual Capital Expenditures Survey (ACES) (0607-0782), the Manufacturer's Unfilled Orders Survey (M3UFO) (0607-0561), and the Report of Organization (0607-0444). In accordance with the PRA, 44 U.S.C., chapter 45, the Census Bureau will submit a request for approval to the OMB for approval of the AIES.

Robert L. Santos, Director, Census Bureau, approved the publication of this notification in the Federal Register.

Dated: October 28, 2022.

**Shannon Wink,**

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